

FISCAL NOTE

Bill #: HB0029

Title: Assess fee on attorneys to fund state law library

Primary

Sponsor: John Sinrud

Status: As Introduced

| | | | |
|-------------------|------|---------------------------------|------|
| Sponsor signature | Date | Chuck Swysgood, Budget Director | Date |
|-------------------|------|---------------------------------|------|

Fiscal Summary

| | <u>FY 2003 Difference</u> | <u>FY 2004 Difference</u> | <u>FY 2005 Difference</u> |
|--|--------------------------------------|--------------------------------------|--------------------------------------|
| Expenditures: | | | |
| General Fund | \$40,000 | \$36,000 | \$36,000 |
| Revenue: | | | |
| General Fund | \$105,000 | \$52,500 | \$52,500 |
| Net Impact on General Fund Balance: | \$65,000 | \$16,500 | \$16,500 |

| <u>Yes</u> | <u>No</u> | | <u>Yes</u> | <u>No</u> | |
|-------------------|------------------|----------------------------------|-------------------|------------------|-------------------------------|
| | X | Significant Local Gov. Impact | | X | Technical Concerns |
| | X | Included in the Executive Budget | | X | Significant Long-Term Impacts |
| | X | Dedicated Revenue Form Attached | | X | Family Impact Form Attached |

Fiscal Analysis

ASSUMPTIONS:

1. The fee imposed by passage of HB 29 would only apply to those attorneys admitted to practice law in Montana (approx 2000), minus those listed in subsection (2) (approx 1000). Therefore, this fee would only apply to approximately 1000 attorneys. But, approximately 200 attorneys would have access to the law school library in Missoula, and many attorneys could still access the online law library at no charge, since there is no current system to selectively limit access to the online library (approx 300).

(continued)

Therefore, the fee would generate approximately \$52,500 per calendar year. (2000 attorneys – 1000 – 200 – 300 = 500 attorneys paying the fee. At \$105 per attorney per calendar year = 500 x \$105 = \$52,500.)

2. Since the effective date is upon passage and approval, most likely in calendar year 2002, FY 2003, and the fee applies each calendar year, most attorneys that would pay the fee will pay it twice in FY 2003 (once in calendar year 2002 and once in calendar year 2003 prior to June 30, 2003). This would equate to revenue of \$105,000 in FY 2003. (\$52,500 x 2 = \$105,000)
3. Currently, the law library has no physical checkpoint at the entry of the law library, nor do they have any personnel available to attend this checkpoint. Passage of this bill would require the addition of 1.00 FTE at an annual salary and benefits of approximately \$35,000 and associated operating and equipment costs.

FISCAL IMPACT:

| | <u>FY 2003 Difference</u> | <u>FY 2004 Difference</u> | <u>FY 2005 Difference</u> |
|--|-------------------------------|-------------------------------|-------------------------------|
| FTE | 1.00 | 1.00 | 1.00 |
| <u>Expenditures:</u> | | | |
| Personal Services | 27,000 | 27,000 | 27,000 |
| Operating Expenses | 1500 | 1000 | 1000 |
| Equipment | 3500 | 0 | 0 |
| <u>Benefits</u> | <u>8,000</u> | <u>8,000</u> | <u>8,000</u> |
| TOTAL | \$40,000 | \$36,000 | \$36,000 |
| <u>Funding:</u> | | | |
| General Fund (01) | \$40,000 | \$36,000 | \$36,000 |
| <u>Revenues:</u> | | | |
| General Fund (01) | \$105,000 | \$52,500 | \$52,500 |
| <u>Net Impact to Fund Balance (Revenue minus Expenditure):</u> | | | |
| General Fund (01) | \$65,000 | \$16,500 | \$16,500 |

Fiscal Note Prepared by: Matt Bugni

Agency: Gov - OBPP

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